

1 Ballstaedt Law Firm, LLC dba Fair Fee Legal Service  
 2 Seth D. Ballstaedt, Esq. Bar # 11516  
 3 8751 W Charleston Blvd #230  
 4 Las Vegas, NV 89117  
 5 (702) 715-0000  
[6 help@bkvegas.com](mailto:help@bkvegas.com)

5 **UNITED STATES BANKRUPTCY COURT**  
 6 **DISTRICT OF NEVADA**

7 )  
 8 ) Case No. 23-10055-mkn  
 9 ) In re: ) Trustee: JEANETTE E MCPHERSON  
 10 ) )  
 11 ) )  
 12 ) CHRISTONE DISTRIBUTION, INC. ) Chapter: 11  
 13 ) )  
 14 ) ) Debtor(s) ) Hearing Date: March 27th, 2024  
 15 ) ) ) Hearing Time: 9:30 AM  
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15 **DECLARATION OF JING LIU IN SUPPORT OF CONFIRMATION OF THE SIXTH**  
 16 **AMENDED PLAN [ECF NO. 140]**

17 I, Jing Liu, declare under penalty of perjury that the following is true and correct to the best of  
 18 my knowledge, information, and belief:

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20 1. I am the principal of Christone Distribution, Inc. (the “Debtor”), involved in the  
 21 Chapter 11 bankruptcy case under Subchapter V filed on January 7, 2023 [ECF 1].

22 2. The Debtor's business was significantly impacted by a prepetition freeze of funds and  
 23 the Amazon store merchant account by Amazon Capital Services (“ACS”), leading to  
 24 the filing of the bankruptcy case as detailed in the Motion for Turnover of Funds [ECF  
 25 28]. This freeze effectively halted our revenue stream, necessitating the bankruptcy  
 26 filing.

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- 1 3. To enhance the feasibility of the amended plan, we revised the payment schedule to
- 2 distribute the monthly payment amounts more evenly, taking into account the seasonal
- 3 nature of our sales.
- 4 4. The amended plan specifies the funding for the initial payment of professional fees to
- 5 the Subchapter V Trustee, sourced from a recovery of funds from Bank of America
- 6 [ECF 157]. This recovery is expected to be \$18,900 as that is the amount that has been
- 7 withdrawn from the business bank account since the filing of the bankruptcy.
- 8 5. I have directed Bank of America to tender these funds to attorney Seth Ballstaedt to be
- 9 held in trust, earmarked for the Subchapter V Trustee's fee.
- 10 6. Additionally, we have updated our Monthly Operating Reports (MORs) to include
- 11 previously omitted exhibits and information. Significant amendments were made in
- 12 October 2023 for several filing periods, enhancing the transparency and accuracy of our
- 13 financial reporting [ECF Nos. 84, 85, 86, 87, 88, 89, and 90].
- 14 7. Our inventory was moved at the end of February, transferred to Smart Warehouse,
- 15 located at 11275 Banana Ave., Fontana, CA 92337. It is being stored in the name of the
- 16 Debtor, Christone Distribution Inc., and the inventory remains under our direct control
- 17 and responsibility and it is insured.
- 18 8. Smart Warehouse is offering two months of free storage from the end of February. After
- 19 this period, if the inventory remains, we will pay \$3,000 per month for the storage. This
- 20 arrangement is a cost-saving measure compared to our previous inventory storage costs.
- 21 9. I confirm that the data presented in the chart illustrating net business income from the
- 22 Amazon platform, as shown in the brief, accurately reflects the information obtained
- 23 from our Amazon seller's dashboard. This dashboard has been a critical tool for
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1 monitoring our business performance, and the figures reported are directly pulled from  
2 the system.

3 10. I have reviewed the Debtor's Sixth Amended Plan, including the revised payment  
4 schedule. Based on this review and my understanding of the Debtor's financial position  
5 and projected cash flows, it is my sincere belief that the payments stipulated under the  
6 plan are not only realistic but entirely feasible. This belief is bolstered by our financial  
7 performance over the past nine months, during which the Debtor has consistently made  
8 payments to Amazon Capital Services ("ACS"), our primary creditor under the plan, in  
9 amounts that exceed what is projected for the next nine months. This demonstrates our  
10 capability to meet, and sometimes exceed, our financial commitments, highlighting the  
11 practicality and achievability of the plan's requirements.

12 11. In conclusion, I am confident that the Sixth Amended Plan offers a viable and realistic  
13 framework for the Debtor's reorganization and successful exit from Chapter 11  
14 bankruptcy. The plan is carefully designed to align with our business's operational and  
15 financial realities, ensuring we can fulfill our obligations and sustain our business  
16 activities.

17 20 Executed on 3/24/2024

18 21 /s/ Jing Liu

19 22 Jing Liu

20 23 Principal, Christone Distribution, Inc.

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